

# HOUSE BILL 150

C9

3lr1185  
CF SB 166

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By: **Delegates Stewart, Amprey, Charkoudian, Feldmark, Foley, Holmes, Lehman, R. Lewis, Moon, Palakovich Carr, Ruth, Shetty, Solomon, and Vogel**

Introduced and read first time: January 16, 2023

Assigned to: Environment and Transportation

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 9, 2023

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Housing and Community Development – Adaptive Reuse**

3 FOR the purpose of establishing that adaptive reuse of existing buildings to create  
4 affordable multifamily housing is an eligible use of certain financial assistance  
5 provided by the Department of Housing and Community Development; requiring the  
6 Department to notify applicants for certain financial assistance that adaptive reuse  
7 is an eligible use of funds; and generally relating to the creation and financing of  
8 affordable multifamily housing through the adaptive reuse of existing buildings.

9 BY adding to

10 Article – Housing and Community Development

11 Section 1–102 to be under the amended subtitle “Subtitle 1. General Provisions”

12 Annotated Code of Maryland

13 (2019 Replacement Volume and 2022 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

15 That the Laws of Maryland read as follows:

16 **Article – Housing and Community Development**

17 Subtitle 1. ~~[Definitions]~~ **GENERAL PROVISIONS.**

18 **1–102.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
2 INDICATED.

3 (2) "ADAPTIVE REUSE" MEANS THE RETROFITTING AND  
4 REPURPOSING OF AN EXISTING BUILDING TO DEVELOP NEW DWELLING UNITS.

5 (3) "AFFORDABLE MULTIFAMILY HOUSING" MEANS A MULTIFAMILY  
6 DWELLING WHERE ALL OR A PORTION OF THE DWELLING UNITS ARE RESERVED FOR  
7 INDIVIDUALS WHOSE HOUSEHOLD INCOME IS LESS THAN OR EQUAL TO A CERTAIN  
8 LIMIT ON MAXIMUM HOUSEHOLD INCOME.

9 (B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THIS SECTION  
10 APPLIES TO ANY PROGRAM OPERATED BY THE DEPARTMENT THAT AWARDS LOANS  
11 THAT MAY BE USED TO DEVELOP AFFORDABLE MULTIFAMILY HOUSING.

12 (2) IF THE LAWS OR REGULATIONS GOVERNING A PARTICULAR  
13 PROGRAM ESTABLISH MORE SPECIFIC RULES REGARDING THE USE OF LOAN  
14 PROCEEDS FOR ADAPTIVE REUSE, THE MORE SPECIFIC RULES SHALL APPLY.

15 (C) (1) ADAPTIVE REUSE OF A PROPERTY TO DEVELOP AFFORDABLE  
16 MULTIFAMILY HOUSING IS AN ELIGIBLE USE OF THE PROCEEDS OF A LOAN COVERED  
17 UNDER THIS SECTION.

18 (2) (I) ~~THE~~ SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,  
19 THE DEPARTMENT SHALL NOTIFY APPLICANTS FOR A LOAN COVERED UNDER THIS  
20 SECTION THAT ADAPTIVE REUSE OF A PROPERTY TO DEVELOP AFFORDABLE  
21 MULTIFAMILY HOUSING IS AN ELIGIBLE USE OF LOAN PROCEEDS.

22 (II) THE NOTICE REQUIREMENT UNDER SUBPARAGRAPH (I) OF  
23 THIS PARAGRAPH DOES NOT APPLY WHEN AN INDIVIDUAL APPLIES FOR A LOAN  
24 UNDER A DEPARTMENT PROGRAM THAT DOES NOT FOCUS ON HOUSING, INCLUDING  
25 PROGRAMS WITHIN THE DIVISION OF NEIGHBORHOOD REVITALIZATION.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
27 October 1, 2023.